FAQs about Federal Land Sales

Q: Does the Federal Government ever sell public land?

A: The answer is yes. Lands identified as excess to the Federal Government's needs or more suited to private ownership are sometimes offered for sale.

The Federal Government has two major property categories which it makes available for sale: real property and public land.

Real Property is primarily developed land with buildings, usually acquired by the Federal Government for a specific purpose, such as a military base or office building. If you are interested in real property, contact the <u>General Services Administration (GSA)</u>, which is the Federal agency responsible for selling developed surplus property.

Public Land is undeveloped land with no improvements, usually part of the original public domain established during the western expansion of the United States. Most of this land is in the 11 Western States and Alaska, although some scattered parcels are in the East. The Bureau of Land Management (BLM) is responsible for this land. (Note: Because of land entitlements to the State of Alaska and to Alaska Natives, no public land sales will be conducted in Alaska for the foreseeable future.)

The BLM does not offer much land for sale because of its congressional mandate, passed in 1976, to generally retain these lands in public ownership. However, the BLM does occasionally sell parcels of land where our land-use planning finds disposal is appropriate.

Q: Where are these public lands?

A: Almost all are in the Western States of Alaska, Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, and Wyoming.

There are also small amounts in Alabama, Arkansas, Florida, Illinois, Kansas, Louisiana, Maryland, Michigan, Minnesota, Missouri, Mississippi, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, Virginia, Washington, and Wisconsin.

There are no public lands managed by the BLM in Connecticut, Delaware, Georgia, Hawaii, Indiana, Iowa, Kentucky, Maine, Massachusetts, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Vermont, or West Virginia.

Q: Is any of this land available free through homesteading?

A: No. Congress repealed the Homestead Act in 1976 (except for Alaska, where it was repealed in 1986).

Q: How are public lands selected for sale?

A: The law states that the BLM can select lands for sale if, through land-use planning, they are found to meet one of three criteria: 1) they are scattered, isolated tracts that are difficult or uneconomic to manage; 2) they were acquired for a specific purpose and are no longer needed for that purpose; or 3) disposal of the land will serve important public objectives, such as community expansion and economic development.

Q: What do the lands look like?

A: Land types vary widely. Some may be desert; some are rural. Some are small parcels of just a few acres; some are several hundred acres in size.

Q: Is any land suitable for farming?

A: Any lands with agricultural potential will be clearly identified in the sale notice. However, most public lands have little or no agricultural potential.

Q: On average, what would public land cost per acre?

A: There is no "average" cost. Each parcel is evaluated separately through established appraisal procedures, based on the value of surrounding parcels. Fair market value is determined for each parcel. By law, no parcel can be sold for less than fair market value.

Q: How is the land actually sold?

A: The BLM has three options for selling land: 1) modified competitive bidding where some preferences to adjoining landowners are recognized, 2) direct sale to one party where circumstances warrant, and 3) competitive bidding at public auction. The sale method is determined on a case-by-case basis, depending on the circumstances of each particular parcel or sale.

Q: Are there any preferences for veterans?

A: No laws currently exist allowing the BLM to give veterans any preference for land purchases.

Q: Where can I find out about land that is going to be sold?

A: Your best source is the BLM office with jurisdiction over the area you're interested in. They can send you sale information. Sale information will also be published and broadcast in local news media.

Q: Where are land sales held?

A: They are held near the area to be sold, either at the local BLM office or in a suitable public location. Sales by the BLM are not held in Washington, D.C.

Q: Are there any restrictions on who can bid on these parcels?

A: Federal law states that the BLM can sell public land only to U.S. citizens or corporations subject to Federal or State laws.

Q: Must I appear in person to participate at the sale?

A: Your personal appearance is not required, but it is always to your advantage to examine the parcel and know exactly what you are bidding on.

Sales can be conducted by oral bid, sealed bid, or a combination of both. However, even if only oral bidding is allowed, you can be represented by an agent.

Details on procedures for a particular sale are specified in the sale notice available from the BLM. The notice will specify type of sale, the percentage of the full price that must be deposited with each bid, and the time period allowed for full payment. The highest qualified bidder is eligible to buy the land; the deposits of unsuccessful bidders are returned.

Q: How is payment made? Is there financing available?

A: A certain minimum percentage of the full price is required with each bid. If you are the successful high bidder, the balance must be paid in full to the BLM within a set period of time before a deed or patent can be issued. Long-term financing must be arranged through private lenders.

Q: Once the BLM issues my deed, can I do anything I want with the land?

A: Yes, according to the terms of the deed and subject to State or local restrictions. The sale notice will clearly specify any Federal reservations or conditions of sale. These might include reserving mineral rights to the Federal Government, or allowing some currently authorized uses, such as grazing, to continue for a certain period of time, or reserving rights-of-way or easements for powerlines, pipelines, etc.

You are advised to review these conditions carefully so that you fully understand what your deed does and does not include.

Q: What about local taxes, zoning, etc.?

A: Once you receive title, the land is subject to all applicable State and local taxes, zoning ordinances, etc.

Q: Are water, power, and sewer service available on all parcels?

A: You should check with the city or county involved to see if such services are available.

Q: Are there roads or easements that guarantee I can get to the property?

A: The sale notice will explain legal access to the property or any access restrictions. You are advised to check out the parcel before you buy, including finding out if available access meets your needs.

Q: I'd like to find out what parcels the BLM currently has listed for sale. Where can I obtain that information?

A: The BLM State Offices are your best source. They can tell you what sales are currently scheduled and what prospects are coming up. You can write, call, or visit them periodically for the latest details.

If a sale is currently scheduled, information can be requested from the BLM describing the property and method of sale. More detailed information, such as land reports, environmental assessments, etc., is also available upon request for a small copy fee.

Q: What about tax delinquency sales?

A: Some local governments sell private land on which taxes have been delinquent to satisfy the tax debt. The Federal Government has no involvement in these sales. The best source for information is the local county tax assessor in the area involved.

Q: What about state land programs?

A: State governments sometimes sell state-owned land. Information on these types of sales can be obtained through the State Lands Office in the State capital.